



East
Asian
History

NUMBER 29 · JUNE 2005

Institute of Advanced Studies
Australian National University

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Printed by Goanna Print, Fyshwick, ACT



This is the twenty-ninth issue of *East Asian History*, printed in May 2006, in the series previously entitled *Papers on Far Eastern History*. This externally refereed journal is published twice a year

Contributions to The Editor, *East Asian History*
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Annual Subscription Australia A\$50 (including GST) Overseas US\$45 (GST free) (for two issues)
ISSN 1036-6008

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Cover calligraphy Yan Zhenqing 顏真卿, Tang calligrapher and statesman

Cover illustration Members of the Korean History Compilation Association having a picnic on a Chosŏn 朝鮮 royal tomb (Archives National Institute of Korean History)

Errata In the previous issue of *East Asian History* (No.28), the article 'Index of Mongol and Chinese Proper and Geographical Names in the *Sheng-wu Ch'in-Cheng lu* 聖武親征錄' by Paul Pelliot and Louis Hambis, edited by Igor de Rachewiltz, was inadvertently left off the Contents page. The article commenced on p.45.

EATING BITTERNESS: DU YUESHENG AND GUOMINDANG POLITICS IN SHANGHAI, 1945–49

史 Brian G. Martin

Du Yuesheng 杜月笙 and his Green Gang (*Qingbang*, 青幫) coterie were important elements in the Guomindang's 国民党 structure of power in Shanghai in the 1930s. During the Sino-Japanese War, Du deepened his relations with Dai Li 戴笠 and the Guomindang's security service, and played a key role in Guomindang-sponsored underground operations in the Japanese-occupied areas.¹ At the end of the War, therefore, Du believed that he would reap the rewards of victory by quickly re-establishing his role as Jiang Jieshi's 蒋介石 (Chiang Kai-shek) indispensable political fixer in Shanghai.

Events, however, did not fall out as Du had hoped. The post-war years were not kind to him. He failed to regain fully his former position in Shanghai, his political connections with key Guomindang organizations became more and more attenuated, and, finally, his relations with Jiang Jieshi were decisively ruptured as a result of the actions of Jiang's son, Jiang Jingguo 蒋经国, during the Gold *yuan* 圓 reform in 1948.

The reasons for this reversal of fortune are many, and are addressed in the paper. By 1945, Du had been absent from Shanghai for eight years, and in that time the political situation in the city had changed dramatically. The foreign settlements had been abolished in 1943, and, as a consequence, Du had lost one of his most important political roles, that of 'mediator' between the Guomindang Government and the Shanghai foreign authorities. In post-war Shanghai, moreover, new political forces were at work—the Three People's Principles Youth Corps (*Sanminzhu yi qingnian tuan* 三民主义青年团) and Jiang Jingguo's clique—that were the product of wartime politics. These new groups represented radical and, indeed, puritanical elements within the Guomindang which regarded as backward and decadent the major social and political forces in Shanghai, especially Du's Green Gang organization.

Paper first given at History of the Chinese City in the Twentieth Century Conference, Lyon, 11–13 December 2002.

¹ For an account of Du Yuesheng's relations with the Guomindang in the 1920s and 1930s, see Brian G. Martin, *The Shanghai Green Gang: Politics and Organized Crime, 1919–1937* (Berkeley, Calif.: University of California Press, 1996); for Du's relations with the Guomindang underground in the occupied areas, see Brian G. Martin, "Resistance and Co-operation: Du Yuesheng and the Politics of the Shanghai United Committee, 1940–1945," in *In the Shadow of the Rising Sun: Shanghai Under Japanese Occupation*, ed. Christian Henriot and Wen-hsin Yeh, (Cambridge: Cambridge University Press, 2004), pp.187–208.

At the same time, Du's links with those organizations on which he had relied before and during the War—Dai Li's security service and the CC Clique (CC *Pai*, CC 派)—weakened considerably during these years. Du's relations with the security service had declined markedly after Dai Li's sudden death in early 1946, and he was never able to develop the same degree of intimacy with Dai Li's successors that he had enjoyed with Dai Li himself. Although Du continued to share common interests with the CC Clique, especially in its conflict with the Three People's Principles Youth Corps, the CC Clique was capable of thwarting Du's ambitions as it sought to adjust to the new political realities of post-war Shanghai. Finally, during the last couple of years of its rule, as it fought for its very survival, the Guomindang regime targeted the interests of Shanghai's commercial and industrial élite, including those of Du Yuesheng, in a vain attempt to retrieve its position.

Du Yuesheng's Return to Shanghai, September 1945

The end of the War came too soon for Du Yuesheng. Japan's unconditional surrender found him in Chun'an 淳安, Zhejiang 浙江, where he was participating in the preparations for the planned landings of the United States military on the East China coast. Du's role was to assist Dai Li in mobilizing the irregular Loyal and Patriotic National Salvation Army (*Zhongyi jiuguo jun* 忠义救国军) in support of the landings and to open channels to the senior Chinese puppet officials Zhou Fohai 周佛海 and Ding Mocun 丁默村.² Du thus hoped to play a leading role in the liberation of the Jiangnan 江南 area that would guarantee his pre-eminence in post-war Shanghai. The Japanese Emperor's unconditional surrender, however, dashed these hopes.

Du finally left Chun'an on 28 August for Hangzhou 杭州 and arrived in Shanghai on 3 September. He was accompanied by members of his personal organization, the Perseverance Society (*Heng she* 恒社), and all along the route of his train people flocked to see him. At Shanghai's West Station Du's followers had arranged a grand welcoming reception for him, and Ling Yunpei 凌云培, the commander of the Loyal and Patriotic National Salvation Army's Songjiang 松江 and Shanghai District, detailed a detachment to provide security and act as a guard of honour. Although the reception was fairly elaborate it did not meet Du's original expectations. On leaving the West Station, Du went first to see Jiang Bocheng 蒋伯诚, Jiang Jieshi's representative in Shanghai, with whom he discussed the local situation, and only then did he return to his home on the Rue Wagner.³

Once ensconced in his Shanghai mansion Du took stock of the situation. He was acutely aware that an important condition for his power and influence in pre-war Shanghai—the foreign settlements—had disappeared in the intervening years. Before 1937 Du had been able to parlay his role as

² Martin, "Resistance and Co-operation," pp.205–6. On Dai Li, see Frederic Wakeman Jr, *Spymaster: Dai Li and the Chinese Secret Service* (Berkeley, Calif.: University of California Press, 2003).

³ *Daliumang Du Yuesheng* [The big gangster Du Yuesheng], ed. Shanghai Shehui Kexue Yuan Zhengzhi Falu Yanjiusuo Shehui Wenti Zu [The Social Issues Section of the Political and Legal Institute of the Shanghai Academy of Social Sciences] (Beijing: Chunchong Chubanshe, 1965), p.93; Fan Shaozeng, "Guanyu Du Yuesheng" [Concerning Du Yuesheng], in *Jiu Shanghai de banghui* [The Gangs of old Shanghai], ed. by Zhongguo Renmin Zhengzhi Xieshang Huiyi Shanghai Shi Weiyuanhui Wenshi Ziliao Gongzuo Weiyuanhui [The Work Committee for Historical and Literary Materials of the Shanghai Municipal Committee of the Chinese People's Political Consultative Conference] (Shanghai: Shanghai Renmin Chubanshe, 1986), p.239; Guo Lanxin, "Du Yuesheng yu *Heng she*" [Du Yuesheng and the Perseverance Society], in *Jiu Shanghai de banghui*, pp.315–6.

an influential gangster and local political fixer into one of real power and influence by providing an important informal channel through which relations between the Chinese and foreign authorities were mediated. Because the writ of Chinese party and government authorities did not run in either the International Settlement or the French Concession, they turned to informal influence peddlers like Du to help push Chinese interests in the settlements and at the same time to help resolve difficult problems with the settlements' authorities. At the same time both the French Concession and International Settlement authorities found Du's Green Gang cohorts to be a useful extension of their coercive power over the Chinese populations of the settlements to ensure peace and order. With the rendition of the settlements to China in 1943 the Chinese Government's writ ran throughout Shanghai after 1945, and it no longer needed to rely on local middlemen like Du Yuesheng. Du now had to find other ways to make himself indispensable to the Guomindang regime and to shore up his influence in Shanghai.

One of Du's immediate concerns was to prevent the confiscation and gain the return of those of his properties that had been used by agencies of the former Wang Jingwei government, notably his mansion at No.70 Route Doumer and the Zhengshi 正始 Middle School. The former had been used as the Shanghai Office of the Wang Jingwei government's Ministry of Finance, and the latter had been the headquarters of the Tax Police run by the same agency. Du used his close relationship with Dai Li to negotiate the return of these properties and avoid their confiscation by the Guomindang Government's Office for Sorting Out Enemy and Puppet Property (*Diwei chanye qingli chu* 敌伪产业清理处). As part of the deal Du lent his Route Doumer mansion to Dai Li's Military Security Service (*juntong* 军统) for use as its Shanghai Office, and when this office was wound up in August 1946, the premises were returned to Du.⁴

In the first months after his return to Shanghai Du set about restoring and expanding his business networks. A major priority was to reinvigorate his personal organization, the *Heng she*, which he had founded in the early 1930s to bring his political, business and social networks together in the one association, but which had atrophied in Shanghai during the occupation.⁵ The first post-war meeting of the *Heng she* was held in the Pudong Native Place Association (*Pudong tongxianghui* 浦东同乡会) in October 1945: it discussed the society's formal restoration and the launching of a membership registration drive. Du's need to boost numbers meant that even members who had collaborated with the Wang Jingwei government, such as Wang Manyun 汪曼云 and Zhang Kechang 张克昌, were re-enrolled. The rationale was the enduring nature of the sworn brotherhood of secret society members: "Secret societies [*banghui* 帮会] stress what is moral and just, certainly they were traitors and the nation has its system of laws, but the friendship of sworn brothers endures."⁶

⁴ Guo Xu, "Du Yuesheng yu Dai Li ji Juntong de guanxi" [Du Yuesheng's relations with Dai Li and the Juntong], in *Jiu Shanghai de banghui*, pp.336–8.

⁵ For the early history of the *Heng she*, see Martin, *The Shanghai Green Gang*, pp.180–2.

⁶ *Da liumang Du Yuesheng*, p.97.

⁷ *Ibid.*, pp.97–9.

⁸ *Da liumang Du Yuesheng*, p.98; *Heng she di wujie tishibui gongzuo baogao* [Work report of the fifth board of directors of the *Heng she*], 1 July 1948, p.2. The members of the *Heng she* Standing Committee were: Lu Jingshi, Tang Zuanzhi, Du Weifan, Wang Zhaohuai, and Guo Lanxing.

⁹ *Da liumang Du Yuesheng*, p.98.

¹⁰ Huang Guodong, “Dumen huajiu” [Reminiscences about the Du household], in *Jiu Shanghai de banghui*, p.262. On the currency exchange rate, see Chang Kia-NGau, *The Inflationary Spiral: The Experience in China, 1939-1950* (Cambridge, Mass.: The M.I.T. Press, 1958), pp.69–70; Te-kong Tong and Li Tsung-jen, *The Memoirs of Li Tsung-jen* (Boulder, Col.: Westview Press, 1979), p.438.

As a result of this active recruitment campaign, the number of *Heng she* members almost doubled between 1945 and 1947, from 910 to 1,500, and by 1947 the organization had three times as many members as it had in 1936–37, before the war, when it numbered only 500. The *Heng she* represented the diverse nature of Du's interests and influence: its members included government and party officials (including ministers, central department heads, and provincial, municipal and county officials); senior military officers (including staff officers, divisional and regimental commanders); chairmen and directors of Shanghai's leading industrial and commercial firms, and factory managers; school principals, newspaper proprietors, editors and journalists, doctors and lawyers. Its membership also embraced most of the major cliques in the Guomindang Government, although most members belonged to the *Juntong*—a reflection of the close relationship between Du and Dai Li. The *Heng she* also expanded its geographical coverage. By 1947 it had 27 branches covering all regions of China, including Taiwan and Hong Kong, as well as branches in Burma and the Philippines.⁷

In the post-war period, as a result of his deteriorating health, Du played a less active role in the *Heng she* than he had before the war. Increasingly he left the running of the organization to his trusted lieutenant, Lu Jingshi 陆京士, and his son Du Weifan 杜维藩. It was Lu, in particular, who organized the two post-war *Heng she* congresses in 1947 and 1948 respectively, and who was the driving force within the *Heng she*'s five-man Standing Committee.⁸ At the 1948 Congress Du expressed his gratitude to Lu, calling him a “model member of the *Heng she*” and going on to say:

Within our society [the *Heng she*] comrade Lu Jingshi is a person who not only has made strenuous contributions both to society and the nation, but has also taken on extraordinary responsibilities for the *Heng she*. I hope that each member of the *Heng she* can imitate comrade Lu Jingshi by making similar efforts and taking on similar responsibilities, so that our society can develop and have bright prospects.⁹

In addition to reinvigorating the *Heng she*, Du also moved vigorously to restore his position in Shanghai's financial and business worlds. Du benefited from the Guomindang government's punitive policy of arbitrarily setting the exchange rate between the former puppet currency and the Guomindang currency (the *fabi* 法币) at 200:1. This effectively wiped out his existing liabilities of 5,000,000 yuan in Shanghai since these were denominated in puppet currency and he could pay them off in grossly overvalued *fabi*.¹⁰ Du also quickly resumed his pre-war positions as chairman of the Shanghai Civic Association (*Shanghai shi difang xiehui* 上海地方协会), the Chinese Red Cross Association (*Zhongguo hongshizibui* 中国红十字会), and the Federation of Charitable Organizations (*Cisbantuanlianhehui* 慈善团体联合会), together with his membership of the standing committee of the Shanghai Chamber of Commerce (*Shanghai shi shanghui* 上海市商会). Between

1945 and 1949 Du held over 75 presidencies and chairmanships, and well over 200 directorships. These included the chairmanships of the All-China Steamship Association (*Quanguo lunchuanye gonghui* 全国轮船业公会), the China Flour Industry Federation (*Zhongguo mianfenye lianbehui* 中国面粉业联合会), the Shanghai Industry Federation (*Shanghai shi gongyehui* 上海市工业会), and the Shanghai Fruiterers' Guild (*Shanghai shuiguoye tongye gonghui* 上海水果业同业公会).¹¹

Du Yuesheng also used the processes of the takeover of Japanese and puppet industrial concerns to bolster his financial position. In this way he became an important player in the Shanghai textile industry. After 1945 he owned seventeen textile mills, fourteen of which were capitalized at 2 billion yuan and over, which represented about 74 per cent of such textile mills in Shanghai. When the government tried to gain control of the peak body of local textile manufacturers by appointing Shu Yunzhang 束云章, the general manager of the China Textiles Reconstruction Company (*Zhongguo fangzhi jianshe gongsi* 中国纺织建设公会), which handled all Japanese textile mills taken over after the war, as chairman of the All China Federation of Machine Cotton Textile Industry Guilds (*Quanguo jiqi mianfangzhiyegonghui lianbehui* 全国机器绵纺织业公会联合会), it met with strong resistance from Shanghai mill owners. The Shanghai mill owners put Du forward as their candidate, and after some protracted negotiations he was appointed chairman of the All China Federation of Machine Cotton Textile Industry Guilds in place of Shu.¹² Other members of Du's coterie also benefited financially from the takeover of enemy and collaborator assets. Wan Molin 万墨林, Du's butler and close confidant, parlayed his reputation as a 'hero' of Shanghai's Guomindang underground during the War into post-war riches.¹³ He seized the assets of the Sun Beer Company (*Taiyang pijiu gongsi* 太阳啤酒公司), and raided public stocks of daily necessities to sell on his own account. Another of Du's followers, Yang Zhixiong 杨志雄, who had been a director of the German company Siemens, used his post-war position as chairman of the Committee to Handle German Property (*Deqiao guanli weiyuanhui* 德侨管理委员会) to seize the property of the Siemens Shanghai branch. And Xu Caicheng 徐采丞, who had handled Du's business affairs during the occupation, made himself indispensable by providing cars and stylish homes for Du's intimates.¹⁴

Du Yuesheng and Guomindang Factional Conflict: Wu Shaoshu's ascendancy in Shanghai, 1945–46

On Du Yuesheng's return to Shanghai he found the political landscape completely changed. In the pre-war period and during the first part of the war (until December 1941), the Guomindang faction that had controlled all party and government business in Shanghai was the CC Clique. It was with

¹¹ *Da liumang Du Yuesheng*, p.99.

¹² *Ibid.*, pp.99–100.

¹³ Wan Molin played an important role in the Guomindang underground in Shanghai, and worked closely with the Juntong agents in Shanghai on Du's behalf. He helped the Juntong carry out a number of assassinations, including that of Fu Xiao'an, the puppet mayor of Shanghai in 1940. Wan gained the status of a local hero after his arrest and torture by Wang Jingwei's security service, the notorious 'No.76', from whose clutches he was rescued by Zhou Fohai on the intercession of Du. Xu Min, "Wan Molin," in *Haisang shi wenren* [Ten worthies of Shanghai] ed. Chen Zu'an and Wang Jiu-hai (Shanghai: Shanghai Renmin Chubanshe, 1990), pp.417–39. A detailed account of Wan's wartime exploits can be found in his self-serving autobiography, Wan Molin, *Hushang wangshi* [Past doings in Shanghai], 4 vols. (Taipei: Zhongwai Tushu Chubanshe, 1973), vol.1, *passim*.

¹⁴ *Da liumang Du Yuesheng*, pp.93–4; Xu Min "Wan Molin," pp.438–9.

¹⁵ For details, see Martin, “Resistance and Co-operation,” pp.198–201.

¹⁶ Jiang Menglin and Mao Zipei, “Kangzhan shenglihou Shanghai Guomindang neibu de paixi douzheng [Factional struggles within the Shanghai Guomindang Branch after victory in the War of Resistance], in *Ersbishiiji Shanghai wenshi ziliao wenku* [Library of historical materials on Shanghai in the twentieth century], 10 vols. (Shanghai: Shanghai Shudian, 1999), vol.2, pp.114–6. For details of the Three People’s Principles Youth Corps, see Lloyd E. Eastman, *The Seeds of Destruction: Nationalist China in War and Revolution, 1937–1949* (Stanford, Calif.: Stanford University Press, 1984), pp.89–107.

¹⁷ Jiang Menglin and Mao Zipei, “Kangzhan shenglihou,” pp.116–8; Liang Youting and Pan Zhanjun, “Shanghai *Zhengyan Bao* shimo” [A complete account of the Shanghai newspaper *Zhengyan Bao*], in *Ersbishiiji Shanghai wenshi ziliao wenku*, vol.6, pp.205–6.

¹⁸ Joseph Shieh, *Dans le Jardin des Aventuriers* (Paris: Editions du Seuil, 1995), pp.197–8. The West Station was the name of this station in Shanghai in the 1920s–1940s.

¹⁹ “Wu Kaixian xiansheng fangwen jilu” [A record of interviews with Mr Wu Kaixian], in *Koushu lisbi* [Oral History], 8 (December 1996), p.141; Fan Shaozeng, “Guanyu Du Yuesheng,” p.241.

this faction that Du had the closest political connections. The CC Clique lost its predominant position during the Japanese occupation, however, when a number of its members defected to the Wang Jingwei collaborationist regime, and its leader in Shanghai, Wu Kaixian 吴开先, known as the local “party emperor” (*dang huangdi* 党皇帝), was first arrested by the Japanese and then discredited by his involvement in abortive peace overtures in 1943.¹⁵ Wu Kaixian was replaced as leader of the Nationalist Government’s underground forces in Shanghai and the Jiangnan by Wu Shaoshu 吴绍澍, a member of the Three People’s Principles Youth Corps which, from its founding in 1938, was the bitter rival of the CC Clique.¹⁶ By September 1945 Wu Shaoshu was the dominant Guomindang political figure in Shanghai. Wu was the first takeover official to enter Shanghai after the Japanese surrender and he moved quickly to resuscitate the Guomindang’s party organization under his control. He enjoyed a remarkable concentration of power in the city. Wu Shaoshu held six positions concurrently: chairman of the Guomindang Shanghai Municipal Party Branch Committee; head of the Shanghai Branch of the Three People’s Youth Corps; special representative (*tepaiyuan* 特派员) for both military and political affairs in Shanghai; Deputy Mayor of Shanghai; and head of the Shanghai Municipality’s Bureau of Social Affairs (*Shehui Ju* 社会局). Wu Shaoshu also reached a private understanding with the new Mayor of Shanghai, Qian Dajun 钱大钧, former head of Jiang Jieshi’s Personal Office, by which each gave the other political support.¹⁷

Faced with such overwhelming power that had usurped their own former control of Shanghai’s political life, Du Yuesheng and the CC Clique again joined forces to work out strategies for regaining their former pre-eminence. Past relations with Wu Shaoshu were no help. During the war Wu had joined Du Yuesheng’s Green Gang group in order to further his work in the underground: he became one of Du’s “pupils” (*mensheng* 门生) and acknowledged Du as his “teacher” (*laoshi* 老师). After the war, however, Wu Shaoshu publicly renounced affiliations with Du and deliberately targeted Du’s power and influence in Shanghai. According to Xue Gengxin 薛耕莘, the chief of the Chinese detectives of the former French Concession, Wu Shaoshu had moved to ensure that there would be no official reception for Du on his return to Shanghai, and forbade any government officials to meet him upon his arrival at West Station.¹⁸ Wu then launched political and propaganda campaigns against Du. Under the slogan of “overthrowing evil forces” (*dadao e shili* 打倒恶势力), he mobilized the members of the Shanghai branch of the Three People’s Youth Corps to eliminate local secret societies (the real target, of course, was Du Yuesheng). This was accompanied by personal attacks upon Du in the pages of the Shanghai newspapers controlled by Wu Shaoshu, which local politicians noted was the first time in thirty years that Du had been subject to such newspaper attacks.¹⁹ Among these attacks were accusations that he had benefited inordinately from the expropriations of the property of collaborators in the takeover period. Wu is reputed to have said publicly: “I

have gone through fire and water, so how can I greet a gangster who benefits from other people's troubles in order to reap a windfall?"²⁰

Local politicians, especially those connected to the CC Clique, feared that if such attacks succeeded in toppling Du Yuesheng it would create a situation of such instability in Shanghai that it would provide a major opportunity for the communists. So two local CC Clique politicians, Pan Gongzhan 潘公展 and Hong Lanyou 洪兰友, tried to reconcile Du and Wu. They met in the home of the gangster and Du associate Gu Jiatang 顾嘉堂, where they discussed their differences. Nothing, however, came of these overtures.²¹

With the failure to reach an accommodation with Wu Shaoshu, Du Yuesheng participated in a broad campaign conducted by Wu Kaixian and the CC Clique to systematically undermine Wu's position in Shanghai. The key figure in this campaign was Lu Jingshi, who was not only close to Du but was also an important figure in Shanghai's CC Clique. Lu Jingshi had his own reasons for disliking Wu Shaoshu. In May 1945, on the eve of the Guomindang's Sixth Congress, Lu had wanted to be selected as one of the representatives from Shanghai, but Wu Shaoshu, who controlled the local party branch, had refused his request on the grounds that Shanghai's quota had already been filled.²² Lu used the newspaper *Li Bao* 立报, which he had taken over in August 1945, to launch personal attacks against Wu and to stir up public support for the CC Clique with such slogans as "Shanghai cannot do without Wu Kaixian" (*Shanghai shaobuliao Wu Kaixian*, 上海少不了吴开先) and "Shanghai needs Du Yuesheng" (*Shanghai shao buliao Du Yuesheng*, 上海少不了杜月笙). Lu, Du and Wu Kaixian also used their connections with Dai Li to ensure that their complaints against Wu Shaoshu reached the ear of Jiang Jieshi.²³

The CC Clique used its influence in the Shanghai labour movement and its former control of the municipality's Bureau of Social Affairs as pressure points on Wu Shaoshu. In mid-1945 Lu had been appointed the Nanjing and Shanghai Area Special Representative of the Ministry of Social Affairs (*Shehuibu HuNing Tepaiyuan*, 社会部沪宁特派员).²⁴ The CC Clique, therefore, through Du Yuesheng, requested that Wu Shaoshu appoint Lu as the deputy head of the Shanghai Municipal Bureau of Social Affairs, in exchange for promising Wu its support. Wu rather deftly sidestepped Du's request by appointing Ge Kexin 葛克信, the Secretary of the Shanghai Party Branch to the post. Ge was a member of the CC Clique, but he also enjoyed good relations with Wu Shaoshu, so Wu could trust him. Wu Shaoshu also sought, at this time, to strengthen his control over the workers' movement by appointing his supporters to head up both the Shanghai Municipal Party Branch's Committee to Direct the Workers' Movement (*Shanghai shi dangbu gongren yundong zhidao weiyuanhui* 上海市党部工人运动指导委员会) and the Shanghai General Labour Union Preparatory Committee (*Shanghai zonggonghui choubei weiyuanhui* 上海总工会筹备委员会).²⁵

²⁰ *Da liumang Du Yuesheng* (1965), p.95.

²¹ *Koushu lisbi* (1996), p.141; Guo Lanxin, "Du Yuesheng yu *Heng sbe*," p.316.

²² Jiang Menglin and Mao Zipei, "Kangzhan shenglihou," p.116.

²³ Ma Chaochun, *Zhongguolaogong yundong shi* [A history of the Chinese labour movement], 5 vols. (Taipei: Zhongguo Laogong Yundong Shi Biansuo Weiyuanhui, 1958), vol.4, pp.1664–5; Jiang Menglin and Mao Zipei, "Kangzhan shenglihou," p.120.

²⁴ *Da liumang Du Yuesheng* (1965), p.94.

²⁵ Jiang Menglin and Mao Zipei, "Kangzhan shenglihou," pp.118–19.

²⁶ Ibid., pp.120–1.

²⁷ Liang Youting and Pan Zhanjun, “Shanghai *Zhengyan Bao* shimo,” pp.206–7; Jiang Menglin and Mao Zipei, “Kangzhan shenglihou,” p.121.

²⁸ Ibid., pp.121–2; Joseph Shieh (1995), p.198; Guo Lanxin, “Du Yuesheng yu *Heng she*,” p.316; *Da liumang Du Yuesheng*, p.95.

²⁹ Jiang Menglin and Mao Zipei, “Kangzhan shenglihou,” p.122. At the end of 1947, Wu lost his position as head of the Three People’s Youth Corps’ Shanghai Branch when the Youth Corps was dissolved and its organization merged with that of the Guomindang. Depressed and disillusioned Wu drifted away from the Guomindang and in 1948 he made overtures to the Chinese Communist Party, and undertook revolutionary work at the direction of the underground communists.

These moves were necessary because Lu Jingshi was seeking to use the labour movement to destabilize Wu Shaoshu. As the Special Representative of the Ministry of Social Affairs, Lu had organized a so-called Workers’ Loyal and Patriotic Army (*Gongren zhongyi jiuguo jun* 工人忠义救国军). This was a takeover organization made up of workers and security agents, with weapons supplied by Dai Li. Its leader was both a member of the *Juntong* and general secretary of the Labour Welfare Association (*Gongfubui* 工福会). On the dissolution of the Workers’ Loyal and Patriotic Army on 10 September 1945, Lu organised a Factory Protection Squad (*Hugongdui* 护工队) (hereafter FPS). FPS units were to be found in every factory in Shanghai, and it took over for its own use the weapons belonging to the former Workers’ Loyal and Patriotic Army. Tightly controlled by Lu Jingshi, the power of the FPS was very threatening, and Wu Shaoshu’s appointees to the General Labour Union Preparatory Committee were unable to exercise any real authority. Lu also orchestrated workers’ protests at the Guomindang Party Branch and the Bureau of Social Affairs. He registered the large number of unemployed workers who had lost their jobs as a result of conditions during the Sino-Japanese War, and organized them to petition by turns both the Party branch and the Bureau of Social Affairs. At the same time he encouraged factory workers to demand higher wages.²⁶

Lu’s machinations culminated in the major strike wave that hit the Shanghai textile mills in the winter of 1945–46, during which the Bureau of Social Affairs was flooded with demands for higher wages. As head of the Bureau of Social Affairs, Wu Shaoshu was blamed for these strikes, and he went to Chongqing 重庆 to try and retrieve his position by seeking the help of Jiang Jinguo and Zhu Jiahua 朱家骅. In Chongqing, however, Jiang Jieshi reprimanded Wu personally, and not long after his return to Shanghai in February 1946, Song Ziwen 宋子文 (T.V. Soong), the head of the Executive Yuan, removed him from his positions as Shanghai’s Deputy Mayor and as head of the Bureau of Social Affairs. Wu Kaixian replaced him in the latter post, thus marking the success of the CC Clique’s strategy.²⁷

Two months later, Wu Shaoshu was the object of an apparent assassination attempt. One morning in April 1946, over ten shots were fired at his car as he returned to his home at Crane Gardens (*He Yuan* 鹤园), Anfu 安福 Road. Wu was badly shaken but uninjured since his limousine was bullet-proofed, and the gunman disappeared without trace. Although it was generally believed that the incident was instigated by Du Yuesheng and the *Juntong* to serve as a warning to him, Wu insisted that it should be covered up and kept out of the newspapers. According to Xue Gengxin, Du was indeed the prime instigator of the attack on Wu. Xue asserted that the gunman was a certain Li who was a member of both Du’s *Heng she* and the postal workers’ union run by Lu Jingshi.²⁸ In October 1946, Wu Shaoshu’s position further unravelled when Chen Lifu 陈立夫 replaced Wu as chairman of the Shanghai Municipal Guomindang Committee with a CC Clique nominee.²⁹

In mid-1946, Du Yuesheng himself became embroiled in a food supply scandal involving one of his closest followers, Wan Molin. During the war Wan had made a fortune importing rice into occupied Shanghai, and he continued his business in the post-war period, by which time he had emerged as a key figure among Shanghai's food provision merchants. Wan was chairman of both the Shanghai Bean and Rice Hongs Guild (*Shanghai shi doumi beng shangye gonghui* 上海市豆米行商业公会) and the Shanghai Rice Merchants Guild (*Shanghai shi mibao shangye gonghui* 上海市米号商业公会), as well as supervisor of the Shanghai Oilcake and Food Grains Businesses Guild (*Shanghai shi youbing zaliang shangye tongye gonghui* 上海市油饼杂粮商业同业公会).³⁰ Wan used these positions, as well as his status as a war hero, to evade government regulations on prices and prohibitions on hoarding to speculate in the prices of rice and other foodstuffs. He co-operated with Kong Xiangxi's (孔祥熙, H.H. Kung) recently established Yangtze Company (*Yangzi gongsi* 扬子公司) in the hoarding of huge amounts of rice in order to force up prices.³¹

In April 1946, the Government extended low-interest loans to Shanghai's foodstuff merchants to stabilize the market in foodstuffs. Wan obtained two of these payments ostensibly for his rice businesses, the Wanchang Rice Hong (*Wanchang mibao* 万昌米号) and the New Wanchang Rice Hong (*Wanchang xin mibao* 万昌新米号); in fact, however, he used these funds for his other non-alimentary businesses. As the Chairman of the Rice Merchants Guild, Wan also helped others to misappropriate these special government food payments. These activities generated a great deal of popular resentment against Wan. A popular Shanghai radio comedian, Xiao Kuaile ('Happy Xiao' 筱快乐), lampooned Wan in one of his broadcasts, calling him a "rice worm" (*mi zhuchong* 米蛀虫), and when Wan sent Xiao a threatening letter in response, Xiao read it out on his radio show. Wan then sent a gangster to smash up Xiao's home and seriously injure his wife. This only aroused greater public anger against Wan.³²

The public outcry led to an investigation in mid-June of the activities of Wan and others by the Shanghai Local Court's procuratorate. On 19 August Wan was arrested by Xuan Tiewu 宣铁吾, the Wusong 吴松 -Shanghai Garrison Commander, who was reported to have issued the following statement:

Wan Molin uses his evil influence behind the scenes to hoard and speculate, and to control the price of rice. The Government should use the martial law provisions to punish him severely.³³

Xuan's intervention indicated that the move against Wan was also an indirect attack on Du Yuesheng. Xuan was at that time a close associate of Wu Shaoshu, and he was also linked to Jiang Jingguo. Du himself understood this and complained to his crony Fan Shaozeng that "During the Japanese occupation there was no justice (*zhengyi* 正义) in Shanghai, and after victory there is no fairness" (*gongdao* 公道).³⁴ Du eventually succeeded in using

³⁰ Xu Min, "Wan Molin," in *Haisbang shi wenren*, ed. Chen and Wang, p.439.

³¹ *Daliumang Du Yuesheng*, p.113.

³² *Ibid.*; Xu Min, "Wan Molin," pp.439-40.

³³ Xu Min, "Wan Molin," p.440.

³⁴ Fan Shaozeng, "Guanyu Du Yuesheng," p.241.

³⁵ Jiang and Mao, “Kangzhan shenglihou,” p.441.

bribery to get Wan released on medical bail. The trial of Wan and the others began on 18 December 1946, and the case dragged on until finally all the defendants were released as part of a general amnesty to celebrate Jiang Jieshi's assumption of the presidency in June 1947.³⁵

Du Yuesheng and the Guomindang Security Services after Dai Li's death, 1946–47

³⁶ On the wartime relations between Du Yuesheng and Dai Li, see Martin, “Resistance and Co-operation,” *passim*, and Wakeman, *Spymaster*, pp.237–49.

³⁷ Fan, “Guanyu Du Yuesheng,” p.241; Guo Xu, “Du Yuesheng yu Dai Li,” p.338. On the activities of the Tongji Company, see Martin, “Resistance and Co-operation,” pp.201–5.

³⁸ Guo Xu, “Du Yuesheng yu Dai Li,” pp.340–1.

During the war years the most important political relationship Du Yuesheng enjoyed was that with Dai Li.³⁶ This relationship guaranteed Du's continuing relevance to the Guomindang war effort during the long years of exile from Shanghai, and was crucial in rebuilding Du's position in Shanghai in the months immediately after the end of the war. The link with Dai Li helped Du fend off the attacks from Wu Shaoshu. At the same time, Dai Li and Du had a very close personal relationship as sworn brothers. When Dai Li died suddenly in an airplane crash on 17 March 1946, therefore, it was both a blow to Du's political ambitions and a deeply personal loss. Du presided over a memorial service for Dai Li in Shanghai where he wept openly throughout. Du also provided Dai Li's family with 2 billion yuan from the funds of the Tongji Company (*Tongji gongsi* 通济公司), which he and the *Juntong* had set up during the War to trade with the occupied areas of China.³⁷ Two years later, in February 1948, on a visit to Chongqing, Du paid an emotionally charged visit to Dai Li's grave in the grounds of the Linggu Temple (Linggu Si, 灵谷寺), a visit that demonstrated his continuing sense of loss at Dai Li's death.

Du Yuesheng never again enjoyed as close a relationship with the *Juntong*/Security Bureau leadership as he had with Dai Li. Although the new head of the *Juntong*/Security Bureau, Zheng Jiemin 郑介民, was a member of the Green Gang—belonging to the *Tong* generational status group—he did not have a close personal relationship with Du. Indeed Zheng deliberately kept his distance from Du, using him when he needed to, but otherwise having nothing to do with him. Zheng did not meet Du personally until the summer of 1947, when they both participated in a board meeting of the Tongji Company. Neither of Zheng's two deputies, Tang Zong 唐纵 and Mao Renfeng 毛人凤, was a Green Gang member and neither had direct dealings with Du.³⁸ Zheng Jiemin and Mao Renfeng dealt with Du through Wang Xinheng, the *Juntong*/Security Bureau station chief in Shanghai and concurrently the head of the Shanghai Municipal Government's Investigation Office (*Shanghai shi zhengfu diaochachu* 上海市政府调查处), who was the designated liaison between the *Juntong*/Security Bureau and Du. Wang enjoyed a close personal friendship with Du, which included both their families. Wang's wife became an intimate friend of Du's wife, Yao Yulan 姚玉兰. Du also cultivated Wang by doing him regular favours. When Wang stood for election to the Legislative

Yuan in the spring of 1948, Du used both his connections and his money to ensure Wang's election. Wang later admitted that he owed his election to Du, as he told his Security Bureau colleague, Guo Xu 郭旭 in 1949:

I campaigned for election to the Legislative Yuan, but I had little money of my own, and I relied completely on the help of Du Yuesheng. Du helped me unstintingly; he personally used his extensive connections on my behalf, and footed the bill for official banquets. In fact he expended a great deal of energy and money on my behalf.³⁹

Although he no longer enjoyed an intimate relationship with the security service, Du could still perform useful duties on its behalf. In June 1946, Jiang Jieshi replaced the Military Affairs Commission (*Junshi weiyuanhui* 军事委员会) with a new Ministry of National Defence (*Guofangbu* 国防部). As part of this reorganization the *Juntong* Bureau was broken up and replaced by a new organization, the Security Bureau (*Baomiju* 保密局) of the Ministry of National Defence, in October 1946. During the period of its reorganization the *Juntong* suffered a budget shortfall because the Combined Forces General Headquarters' Finance Office (*Lianqin Zong Silingbu Caiwusbu* 联勤总司令部财务署) did not consider it to be part of the establishment of the new Ministry of Defence, and so advanced it only a small amount to cover running costs. The *Juntong* turned to Du Yuesheng for help to meet the shortfall. Du agreed, and over the four months June to September he provided the *Juntong* with an interest-free monthly loan of 200,000,000 yuan, which was rolled over at the end of each month. The *Juntong* repaid the loan into Du's account with the Nanjing Commercial Bank (*Nanjing tongshang yinhang* 南京通商银行). Once the Security Bureau was up and running in October 1946, its finances were assured and it no longer needed loans from Du.⁴⁰

Du Yuesheng also played a leading role in the organization of the so-called China Association for the Construction of New Social Organizations (*Zhongguo xin shehui shiye jianshe xiehui* 中国新社会事业建设协会)—the NCA—which was sponsored by the Security Bureau in late 1946. The aim of this body was to mobilize the various secret societies throughout China on behalf of the Guomindang to oppose the Chinese Communist Party (CCP). The model for its operations was the former Chinese People's Resist Japan Mobilisation Committee (*Zhongguo renmin kangri dongyuan weiyuanhui* 中国抗日动员委员会), which Dai Li and Du Yuesheng had organised in 1939 to mobilize secret societies in the guerrilla war against the Japanese forces, and which was dissolved after the War in late 1945.⁴¹ The moving spirit in creating the NCA was Xu Liang 徐亮, a senior Security Bureau officer, who structured it as a "front organization" for the Security Bureau. On Zheng Jiemin's orders he went to Shanghai to get Du's co-operation. Throughout the latter half of 1946, Du used his wide networks to gain the agreement of different secret society leaders to join the NCA. These included Xiang Haiqian 向海潜, the leader of the Shanghai Red Gang (*Hongbang* 红帮); Tian

³⁹ Ibid., p.341.

⁴⁰ Ibid., pp.338–9.

⁴¹ Wan Qiang, "Dai Li qiren" [This man Dai Li], in Shen Zui and Wan Qiang, *Dai Li Qiren* (Beijing: Wenshi Ziliao Chubanshe, 1984), p.230; *Daliumang Du Yuesheng* (1965), p.77; *Shanghai Municipal Police. Special Branch. Files (May 20, 1939) D9212*; Wakeman, *Spymaster*, pp.247–9.

⁴² *Daliumang Du Yuesheng* (1965), pp.105–6; Guo Xu, “Du Yuesheng yu Dai Li,” pp.339–40.

⁴³ *Cheng Bao*, 20 October 1946, cited in *Daliumang Du Yuesheng*, p.106.

⁴⁴ The Executive Committee members were Du Yuesheng; Yang Hu; Yang Qingshan; Xiang Haishan; Fan Shaozeng; Zhang Zilian; Xu Liang; Tian Desheng; and Zhang Fang. *Ibid.*

⁴⁵ These nine Security Bureau officials were Zeng Jian; Wei Zuomin; Peng Shou; Gui Yunchang; Guan Yande; Yu Fanrong; Liao Zhiming; Yuan Ying; and Liu Buqing.

⁴⁶ *Da liumang Du Yuesheng*, pp.106–7; *Min-guo bangbui yaolu* [Important documents on secret societies in the Republic], ed. Zhong-guo di'er lishi dang'anguan (Beijing: Dang'an Chubanshe, 1993), pp.346–54.

Desheng 田得胜 and Fan Shaozeng 范绍增, leaders of the Sichuan *Paoge* (‘the Gowned Brothers,’ 袍哥); Zhang Fang 张笏, a powerful secret society leader in Henan 河南; Fan Zhuangfu 樊庄甫, a famous secret society leader in Northwest China; Du Xianwu 杜仙五, a secret society and bandit leader in Northeast China (Manchuria); and his cronies Yang Hu 杨虎, Xu Chongzhi 许崇智 and Mo Dehui 莫德惠.⁴²

On 18 October 1946, the NCA held its inaugural meeting at the Lido Gardens (*Lidu Huayuan*, 丽都花园), Shanghai. Over a thousand people were present, including secret society leaders, gangster bosses and warlord politicians from all over China, as well as three personal representatives of Jiang Jieshi. Du’s lieutenant Lu Jingshi, who was the representative of the Ministry of Social Affairs (which also claimed an interest in the NCA) directed the proceedings. According to the Shanghai newspaper *Cheng Bao* 诚报, its aims were nothing if not grand:

Following Mister Sun Yat-sen’s will, it [the NCA] will strive to build a new China on the basis of the Three People’s Principles; on the principle of taking the people as the base for institutions, it will try hard to construct new social institutions; taking a stand on behalf of the people, it will seek to achieve the revival of the nation and the stabilization of the world.⁴³

The meeting appointed a nine-man Executive Committee⁴⁴ with a three-man Standing Committee consisting of Du Yuesheng, Yang Hu, and Xiang Haiqian, and it nominated Xu Liang as the NCA’s secretary.

The Security Bureau ensured its control of the NCA through Xu Liang and his deputy Cheng Kexiang 程克祥, and by the appointment of a special cell made up of nine senior Security Bureau officials to direct the NCA’s activities.⁴⁵ Under the Security Bureau’s direction the NCA emphasized its anti-communist functions. It set up investigation offices (*diaochachu* 调查处) in many areas to direct the local secret societies to spy on the activities of the CCP and the People’s Liberation Army (PLA), to provide intelligence for the Security Bureau, and to conduct searches for communists and communist sympathizers in their areas of activity. When fully established in 1947 the NCA had set up 28 branches in the provinces and municipalities, as well as 468 county (*xian* 县) level sub-branches, and it claimed a total membership of 560,000.⁴⁶

The NCA had a short and rather troubled existence. The Ministry of Social Affairs, which believed that it should control all officially sponsored social organizations, disputed the Security Bureau’s control over the NCA. In mid-1947, Gu Zhenggang 谷正纲, the Minister of Social Affairs and a member of the CC Clique, assiduously collected all adverse stories about the NCA-affiliated secret societies and NCA activities, in order to provide evidence for the suppression of these base-level organizations. Gu’s campaign was resisted strongly by Xu Liang, but eventually the complaints against the NCA reached Jiang Jieshi. After discussions with Zheng Jiemin, Jiang decided to scrap the

NCA, and on 5 December 1947 the Executive Yuan ordered its dissolution.⁴⁷ With the dissolution of the NCA Du's association with the Security Bureau effectively ended.

⁴⁷ Wang Qiang, "Dai Li qiren," pp.230-1; *Minguo banghui yaolu*, pp.354-61.

Du Yuesheng and the CC Clique: The Politics of the Shanghai Municipality, 1946-48

From the moment of his arrival back in Shanghai, Du desired an official position as a mark of recognition of his informal networks of power and influence in Shanghai. In September 1945, for example, he expressed a wish to be appointed Mayor of Shanghai, and sought support for his bid from senior members of the Guomindang Government, including Kong Xiangxi. In the event, however, Jiang Jieshi had already decided to appoint Qian Dajun, the head of his personal office, as Mayor, and Du's hopes were disappointed.⁴⁸ Du believed that he could use his long association with the CC Clique to further his political ambitions in Shanghai. This was true up to a point. Both Du and the Shanghai members of the CC Clique shared a common enemy in Wu Shaoshu; they worked together to undermine his position throughout 1946, and Du's position, as well as that of the CC Clique, was strengthened by Wu's downfall. But the CC Clique also had to take account of the changes in the tone of Guomindang politics in Nanjing as the pressures of civil war gave increased scope to moralistic radicals, such as the Three People's Youth Corps and Jiang Jingguo's clique. In this environment Du Yuesheng became an increasing liability. In these years, also, the CC Clique was struggling to regain its pre-war hegemonic position in Shanghai politics, and in this struggle it was prepared to sacrifice even the interests of close allies like Du.

⁴⁸ Fan Shaozeng, "Guanyu Du Yuesheng," p.239.

⁴⁹ Suzanne Pepper, "The KMT-CCP Conflict, 1945-1949," in *The Nationalist Era in China, 1927-1949*, ed. Lloyd E. Eastman, et al., (Cambridge: Cambridge University Press, 1991), pp.298-9.

⁵⁰ *Da liumang Du Yuesheng*, pp.110-2.

In the course of 1946 the main focus of Du's ambitions was the elections for the Shanghai Municipal Council (SMC). The creation of elected municipal councils was part of the Guomindang's attempts to set up constitutional government stemming from the agreements of the all-party Political Consultative Conference, which met in January 1946 in an ultimately unsuccessful attempt to resolve the GMD-CCP conflict.⁴⁹ Du had been a member of the previous unelected provisional council, and he was determined to use the elections to increase his power on the new council. In order to get his cronies and *Heng she* followers elected he used the whole panoply of coercive techniques bribery, fraud, threats, and cajolery. As a result, when the elections were held on 28 April, Du was able to get up to fifty of his followers onto the council, almost 30 per cent of the total of 181 elected councillors. Those who owed their election to Du Yuesheng included industrialists, such as Rong Hongyuan 荣鸿元, party cronies like Jiang Hao 姜豪, Huang Bingquan 黄炳权 and Tang Shichang 唐世昌, trusted lieutenants such as Yang Guanbei 杨管北 and Wan Molin, and close associates like Yang Hu.⁵⁰

⁵¹ *Li Bao*, 29 April, cited in *Da liumang Du Yuesheng* (1965), p.111; Jiang Hao, “Wo zai Shanghai shi canyihui sannian” [I was on the Shanghai Municipal Council for three years], in *Shanghai difang shi ziliao* [Materials on Shanghai local history], 6 vols. (Shanghai: Shanghai Shehui Kexueyuan Chubanshe, 1982), vol.1, pp.207–8.

⁵² Huang Bingquan, “Shanghai Shi Canyihui xuanju Yizhang de huiyi” [A memoir on the election of the President by the Shanghai Municipal Council], in *Shanghai Wenshi Ziliao Cungao Huibian*, ed. Shanghai Shi Zhengxie Wenshi Ziliao Weiyuanhui, 12 vols. (Shanghai: Shanghai Guji Chubanshe, 2001), vol.2, p.282.

⁵³ Huang Bingquan, “Shanghai shi canyihui,” p.283; *Da liumang Du Yuesheng* (1965), p.111.

Du’s methods were not exceptional. The Shanghai Municipal Government also engaged in forms of intimidation. For example, the new national identity cards (*guomin shenfenzheng* 国民身份证), which people needed to obtain their ration of two *dou* 斗 of rice, were not issued until election day and could only be obtained at the polling booths. And candidates spent a lot of time bribing the electoral officials who could determine how people would vote at the booths. The manner in which the elections were conducted was a matter of public comment, and the Shanghai newspaper *Li Bao* noted:

When one looks at the circumstances of the elections held yesterday [28 April], they certainly cannot give pleasure. Throughout the whole of yesterday there were people smashing up polling booths as well as those passing out money [to buy votes] The circumstances of turmoil in yesterday’s elections have caused us great distress.⁵¹

Once the council elections were over, Du set his sights on becoming president (*yizhang* 议长, speaker) of the municipal council. When the new Mayor of Shanghai, Wu Guozhen 吴国桢, had decided that the anniversary of the beginning of the Sino-Japanese War in Shanghai, 13 August, was an auspicious date on which to hold the elections for council president, Du began his campaign.⁵² He wanted to create the appearance of enjoying overwhelming support, so he mobilized his followers to fan out across Shanghai to drum up support and create a favourable atmosphere for his candidacy. Du could not, however, win the support of the CC Clique. The local CC Clique leaders, such as Wu Kaixian, wanted to control the Shanghai Municipal Council through having their own appointee as president, as part of their strategy for rebuilding their power base in Shanghai. They had selected Pan Gongzhan as their candidate. At the same time, however, they did not want to lose Du Yuesheng’s support. So they sought to develop a strategy that would enable them to gain their end without inflicting any serious loss of face on Du. At a dinner held in Du’s Zhonghui Bank 中汇银行 building a few days before the municipal council presidential election, a compromise was worked out. The architects of the plan were those members of the CC Clique who were also close associates of Du, especially Lu Jingshi, Luo Qinghua 骆清华, Wang Xianqing and Tang Chengzong. According to this compromise, Du would stand for president and would gain all the CC Clique’s votes; but as soon as he was elected he would resign on the grounds of ill health (Du suffered from very bad asthma), and on the second ballot everyone, including Du’s followers, would vote for Pan Gongzhan.⁵³

On election day the drama was played out according to this script. When the ballots had been cast, Mayor Wu announced that Du had been elected Council President. He had gained all of the votes except for those of Wu Shaoshu’s clique who had abstained from this round. At this point Du raised his hand to speak, and read out a prepared statement stating his intention to resign on the grounds of ill health. According to Huang Bingquan, Du

spoke as follows:

The establishment of the Municipal Council shows that the politics of our nation is certainly along the road to democracy. I am very honoured to have been elected President today. Shanghai is a metropolis, so the president's responsibilities are exceptionally onerous; but I have a number of health problems and cannot take on such heavy responsibilities. I am not deliberately letting down the kindnesses of you all; but it is because my health is poor, and for this I beg your pardon. I request that you elect another good man.⁵⁴

⁵⁴ Huang Bingquan, "Shanghai shi canyihui," p.284.

⁵⁵ Ibid., pp.283–5; Jiang Menglin and Mao Zipei, "Kangzhan shenglihou," p.122; Fan Shaozeng, "Guanyu Du Yuesheng," pp.239–40.

⁵⁶ *Daliumang Du Yuesheng*, p.112; Jiang Hao (1982), pp.209–10.

Du's brief speech caused consternation among the councillors, and a number called on him to reconsider, at which point he remarked that his asthma was so bad that he was not up to the job. Finally, Pang Jingzhou 庞京周, a medical practitioner and a member of Du's *Heng she*, spoke up vouching for Du's poor health and asking his colleagues to honour his request to resign. A second ballot was then held and Pan Gongzhan was elected unanimously. He even got the votes of Wu Shaoshu and his followers who wanted to protect their relations with Pan. After the second ballot was declared everyone adjourned to the Yiyuan 逸园 Restaurant where Mayor Wu hosted a dinner for the councillors.⁵⁵

After this incident Du was content to exercise his influence through his informal networks, rather than again seeking formal office in Shanghai. Nevertheless, he continued to be a power within the SMC, continuing to work with the CC Clique. Prior to every plenary session of the SMC, Pan Gongzhan, Wu Kaixian and Du Yuesheng would invite their key followers on the Council, together with the Council's Vice President, to a meeting in Du's private office in the Zhonghui Bank. Here they would decide their policy on major proposals coming before the SMC, which they would later push through the plenary session. When the SMC set up its own committee system the personnel of the various committees was decided in advance by the same process. As Du told Pan immediately after the election for council president, the two of them together with the SMC Vice-President, formed "a trinity" (*samwei yiti* 三位一体). Controlling almost a third of the SMC councillors, Du was just too powerful to ignore. Without his co-operation the consolidation of the CC Clique's power in the SMC would have been much more difficult, and Du could have played a spoiler role if he had felt that his views were being ignored.⁵⁶

But Du also had to accommodate the interests of the CC Clique, even when this went against his own wishes (as in the election of the council president). If power within the SMC was exercised by a triumvirate, this was not shared equally by its members; and Du was certainly the junior partner to Pan Gongzhan. A further example occurred in late 1947 when Jiang Hao was elected as one of Shanghai's two members of the Control Yuan's newly elected and expanded committee—in accordance with the new Constitution

⁵⁷ Jiang Hao, “Wo zai Shanghai shi canyihui sannian,” pp.215–16. Tao took up his membership of the Control Yuan’s expanded committee on 7 February 1948, Liu Shoulin, et al., *Minguo zhiyuan nianbiao* [Chronological tables of Republican officials] (Beijing: Zhonghua Shuju, 1995), p.430. On the provisions in the January 1947 Constitution for electing the Control Yuan’s committee, see Ni Zhengtai and Chen Xiaoming, *Minguo zhiyuan zidian* [Dictionary of Republican officials] (Hefei: Huangshan Shushe, 1998), p.413.

⁵⁸ *Da liumang Du Yuesheng*, p.112.

⁵⁹ Pan Jiemei, “Shanghai shoujie ‘minxuan Quzhang’ neimu” [The inside story of the first ‘democratic election of district heads’ in Shanghai], in *Ersbi shiji Shanghai wenshi ziliao wenku*, 10 vols. (Shanghai: Shanghai Shudian Chubanshe, 1999), vol.2, pp.123–6.

promulgated in January 1947—at the expense of the CC Clique’s candidate, Tao Baichuan 陶百川. The CC Clique then sought to persuade Jiang to step down in favour of Tao, and when Jiang refused they turned to Du Yuesheng. Jiang was one of Du’s Green Gang followers, so when Du requested him to resign he could not refuse. Once Jiang had stepped down in favour of Tao, Du, Pan Gongzhan and Wu Kaixian jointly hosted a banquet for Jiang attended by about 100 municipal councillors.⁵⁷ Du remained important to the smooth working of the SMC almost to the end of Guomindang rule in Shanghai. During the gold *yuan* crisis in mid-1948, when Du was under attack from Jiang Jingguo, his persuasive powers were still needed when the SMC refused to pass an increase in water and electricity rates that the Shanghai Municipal Bureau of Finance had decided upon. The measure was strenuously opposed by those councillors who were mill owners and department store proprietors. In response to appeals from Mayor Wu Guozhen and SMC President Pan Gongzhan, Du came to the SMC from his sickbed, carried in a cane chair by four men. Once Du had told the councillors to help the government out of its difficulties, the SMC passed the rates increase without demur.⁵⁸

The elections for the thirty district heads (*quzhang* 区长) in Shanghai, which were held in March 1947, further consolidated the CC Clique’s control of Shanghai’s administrative system. These elections were a further step in introducing a constitutional system to replace the era of Party ‘tutelage’. Although those who elected the district heads were formally chosen by the “*bao* people’s congresses” (*baomin dabui* 保民大会) in each *bao* 保 (a subordinate administrative unit to the district, *qu* 区), the outcomes of the elections had in fact been decided in advance by the political leaders in Shanghai. The CC Clique gained the lion’s share of the newly elected district heads, with key leaders actively intervening on behalf of the local CC Clique candidate, as Wu Kaixian and Pan Gongzhan did in North Station District (*Beizhan qu* 北站区). For Du Yuesheng the elections merely underscored those districts in which he had had a long-standing interest. In his home district of Gaoqia 高桥, Pudong, for example, Zhong Yuliang 钟玉良, Du’s long-time representative as district head, was elected as the new-style district head. Du gave Zhong his full support with the remark: “Gaoqiao is Zhong Yuliang’s base, no-one else can have a look in.” And in Songshan District (*Songsban qu* 嵩山区) Du’s cousin Zhu Weide 朱为德 was replaced as district head by Du’s son Du Weiyuan 杜维垣. When someone complained to Zhu about his replacement by Du Weiyuan, Zhu replied: “Songshan District is my territory; Du Weiyuan is my relative. He does what I do. It’s a right; he doesn’t need an invitation.”⁵⁹

Although the CC Clique still needed Du’s support, the relationship became increasingly frayed and had almost completely broken down at the time of the elections for the new National Assembly (*Guomin Dabui* 国民大会) in November 1947. Du wanted to be one of the National Assembly members

from Shanghai, but was aware that this would put him at odds with the CC Clique. To circumvent their opposition, Du called in some favours with Wu Kaixian and asked him, as the leader of the CC Clique in Shanghai, to take the lead in proposing his candidature. By this means Du got on the ballot, but the CC Clique was determined that he should not come first. On Election Day Pan Gongzhan and a nonentity, Fang Zhi 方治, came first and second respectively, and Du was relegated to third place. Although elected to the National Assembly and present at its inaugural meeting in April 1948, Du considered his position as third on the slate of candidates from Shanghai a major loss of face. He found it hard to forgive this slight at the hands of his erstwhile political allies.⁶⁰

Du Yuesheng's Nemesis: Jiang Jingguo and the Gold Yuan Reform, August-October 1948

While his relations with the CC Clique were unravelling, Du confronted a major attack on his economic interests from the emergency economic measures implemented by Jiang Jingguo in Shanghai in mid-1948. These measures were a response to the dramatically worsening economic situation. Throughout the first half of 1948 the economy in Guomindang-controlled areas continued to deteriorate rapidly. The budget deficit expanded; government revenue fell significantly owing to further losses of territory to the communists, an increasing dislocation of transport and productive facilities, and a marked expansion in smuggling; and the spread of the civil war increased the government's military expenditures. Prices also increased dramatically. During the first seven months of 1948 they increased more than 45 times, and the black market rate for US dollar notes increased over 50 times. With the rate of price increases exceeding the rate of note issue, the purchasing power of the currency fell and confidence in the currency dramatically declined. At the same time private capital engaged in non-productive activities such as financial speculation and hoarding of commodities. The banks were even reluctant to extend long-term credits for industrial investments.⁶¹

In order to deal with the resulting hyperinflation, on 19 August 1948, the government announced the introduction of a new gold *yuan* 金圓 (GY) currency to replace the former China national currency (the *fabi* 法幣 FB). The Government said that the gold *yuan* was backed by a 100 per cent reserve made up of gold, silver, foreign exchange, bonds and securities, together with government-owned properties. The new currency was exchanged at a ratio of GY\$1 to FB\$3 million, and GY\$4 were equal to US\$1. The government stated that the introduction of the new currency would be accompanied by drastic financial reforms to rein in expenditure and increase revenue. As part of the currency reform the public was required to sell its holdings of gold,

⁶⁰ Fan Shaozeng, "Guanyu Du Yuesheng," pp.245–6; *The China Weekly Review*, 13 September 1947.

⁶¹ Department of State, *United States Relations with China: with Special Reference to the Period 1944–1949* (Washington, DC: Department of State, 1949), pp.399–400. A detailed analysis of the gold *yuan* reform is to be found in Eastman, *Seeds of Destruction*, pp.172–202.

⁶² Department of State, *United States Relations with China*, p.400; A. Doak Barnett, *China on the Eve of the Communist Takeover* (New York: Praeger, 1963), p.71.

⁶³ Barnett, *China on the Eve*, p.73; Fan Shaozeng, "Guanyu Du Yuesheng," p.244; Department of State (1949), p.278.

⁶⁴ Jay Taylor, *The Generalissimo's Son: Chiang Ching-kuo and the Revolutions in China and Taiwan* (Cambridge, Mass.: Harvard University Press, 2000), p.157.

⁶⁵ Taylor, *The Generalissimo's Son*, p.156.

silver and foreign currency in China to the government at the pegged rates, and Chinese nationals were also ordered to register with the government all foreign exchange held abroad.⁶²

Shanghai was the key to the success or failure of the reform measures. Although Jiang Jieshi appointed Yu Hongjun 俞鸿钧 as special commissioner for economic control on 21 August, it was in fact his deputy, Jiang's son Jiang Jingguo, who exercised real power, and who was popularly regarded as Shanghai's "economic czar." Jiang Jingguo set about targeting the speculators and hoarders, popularly referred to as "yellow ox gangs" (*huangniu bang* 黄牛帮) and the business élite of Shanghai. His methods were brutal. In the first month he had arrested over 3,000 alleged speculators, including a large number of prominent and wealthy citizens, and had ordered a number of executions. As one contemporary remarked, Jiang's approach resembled "reform at pistol point."⁶³ Jiang believed that in implementing the currency reform he was involved in a life and death struggle for the survival of the regime itself. And he also believed that the regime's survival depended on the Guomindang returning to its earlier role of the mid-1920s as the party of social revolution. In this approach he was heavily influenced by his years in Moscow, and Jiang continued to read Lenin's works in the original Russian while he was in Shanghai. As he told a mass meeting of 5,000 Three People's Principles Youth Corps veterans on 12 September 1948:

We had to fight our foreign enemy ... the imperialists ... now we have enemies at home ... local tyrants and evil gentry in the rural areas, and speculators and profiteers in the urban areas The new economic policies promulgated by the government are not simple laws and decrees but are designed for a social revolutionary campaign and mark the beginning of the implementation of the Principle of People's Livelihood. Stabilizing prices is only technical work; our objective is to put an end to the unequal distribution of wealth. To be more specific, we should prevent the rich from getting richer while the poor are becoming poorer.⁶⁴

Such views put Jiang at odds with Shanghai's commercial and industrial élites, including Du Yuesheng. It is unsurprising that Jiang distrusted the CC Clique-dominated Shanghai municipal government with its close links to the business community, and operated through his own organizations. The principal one of these was the former members of the Three People's Principles Youth Corps, which had been absorbed into the Guomindang in June 1947, and which he organized into so-called "tiger-beating teams" to fan out across Shanghai looking for speculators and hoarders. The name came from their chant: "We beat tigers; we do not swat flies!"⁶⁵ Jiang also secured the support of the Ministry of Defence's Security Bureau, and the Bureau renamed one of its anti-smuggling regiments the Economic Investigation Regiment (*Jingji jiancha dadui* 经济检查大队) and placed it under Jiang's direct command. The Security Bureau's Shanghai station supplied Jiang with

a great deal of regular intelligence on hoarding and speculation. The liaison between Jiang Jingguo and the Security Bureau was Wang Xinheng, the former head of the Security Bureau's Shanghai station, and a former fellow student of Jiang's at Moscow's Sun Yat-sen University.⁶⁶

From the outset Jiang Jingguo targeted the interests of Du Yuesheng. To Jiang, Du represented everything that was wrong with the Guomindang regime: he stood for exploitative capitalism, corruption, obscurantist traditionalism, and the baneful influence of gangster techniques on the politics of the regime. In one of his first admonitory talks to the Shanghai business élite, Jiang singled out Wan Molin, one of Du's trusted followers, and warned him not to repeat his earlier fixing of rice prices; otherwise he would suffer dire consequences. Jiang is reported to have scolded Wan as follows:

In the past you have been involved in very many matters, especially the incident of the food prices case, of which everyone knows the details. From now on, your responsibility will be to ensure the rice supply for Shanghai. If Shanghai does not have rice even for a day, your life is forfeit.⁶⁷

Then, on 3 September, Jiang Jingguo arrested one of Du's sons, Du Weibing 杜维屏. Jiang had been searching for evidence to link Du Yuesheng himself to profiteering activity, but had found nothing. However, agents of Xuan Tiewu, the Shanghai Garrison Commander and Chief of the Shanghai Municipality Police, had discovered that Du Weibing, a broker on the Shanghai Stock Exchange, had speculated illegally in company shares. He had sold 2,800 Yong'an Cotton Mill (*Yong'an Shachang* 永安纱厂) shares outside the mechanism of the Stock Exchange.⁶⁸ Although this was a relatively trifling matter and represented common behaviour within Shanghai's business practice, which was heavily influenced by personal connections (*guanxi* 关系), Jiang decided to turn it into a major case. His object was to humiliate Du Yuesheng.

Du's response was to conceal his anger and confront Jiang Jingguo. On the one hand he publicly admitted that if his son had done wrong, then he should face the consequences, and that he, Du, had then failed as a parent; on the other hand, he publicly informed Jiang that the main culprits regarding profiteering were bureaucratic capitalists closely associated with the very senior levels of the Guomindang regime. He told Jiang that the biggest profiteer in Shanghai was the Yangtze Company, founded in January 1946 and run by Jiang's relative Kong Lingkan (孔令侃, David Kung), the son of Kong Xiangxi.⁶⁹ Thus Du threw down the gauntlet and, in effect, dared Jiang to move against the interests of his own family. According to an account by Cheng Yikuan 程义宽, commander of Jiang's Economic Investigation Regiment, who was present at the meeting, Du attended a meeting of Shanghai's business élite that had been summoned by Jiang Jingguo, held in the Pudong Native Place Association Building (*Pudong tongxianghui dalou* 浦东同乡会大楼). After

⁶⁶ Guo Xu, "Du Yuesheng yu Dai Li," p.128.

⁶⁷ Xu Min, "Wan Molin," p.441.

⁶⁸ Fan Shaozeng, "Guanyu Du Yuesheng," pp.244–5; Guo Xu, "Du Yuesheng yu Dai Li," p.127.

⁶⁹ Guo Xu, "Du Yuesheng yu Dai Li," pp.127–8; Xiong Yuezhi, eds. *Shanghaitongshi* [A general history of Shanghai], 15 vols. (Shanghai: Shanghai Renmin Chubanshe, 1999), vol.15, p.82.

⁷⁰ Cheng Yikuan's reminiscences are included in Guo Xu, "Du Yuesheng yu Dai Li," pp.128–9.

⁷¹ Taylor, *The Generalissimo's Son*, p.160.

⁷² Fan Shaozeng, "Guanyu Du Yuesheng," p.242.

Jiang had made his introductory speech, Cheng records that Du then rose and made the following speech:

I, Du Yuesheng, was originally a bad character, I did many evil things, but since the president has held authority [i.e., since 1927], I am grateful to him for thinking well of me and [as a result] I have tried to be a good person. I, Du Yuesheng, no longer do evil things, [but] I am engaged wholeheartedly in the cause of building up society (*shehui jianshe* 社会建设), and I no longer break the law. Now I am old and sick, so I have handed over the running of my enterprises to my sons. Now my youngest son has hoarded over FB\$6,000-worth of goods and materials. He has broken the State's regulations; this is due to my deficiency as a parent. I have asked him to hand over these goods and materials for registration and to hand himself over to Mr Jiang [Jingguo] for punishment according to the law. But I have one request, and I can say that it is a request of everyone attending this meeting, which is that Mr Jiang should send people to conduct an investigation of the warehouses of the Yangtze Company in Shanghai. It is common knowledge that the Yangtze Company comes top of the list in Shanghai for hoarding goods. Today the goods and materials of our relatives and friends have been registered, sealed and handed over to state management. I hope that Mr Jiang will treat the goods and materials hoarded by the Yangtze Company in the same manner without discrimination, and that it will be similarly closed down and regulated, and in this way [Mr Jiang] would meet the public's expectations. I am sick, and I cannot stay here too long. I ask my son Weibing to remain here and wait for the decision [of the meeting].⁷⁰

With that Du shuffled out Jiang Jingguo's promises to investigate the Yangtze Company ringing in his ears.

Du Yuesheng also tried to use his connections with Jiang Jieshi to get his son released. However, Jiang Jieshi was politically committed to supporting his own son's efforts, and sent a telegram on 24 September which was published in *Shen Bao* 申报 and amounted to a public rebuke for Du. Jiang told Du: "I would be grateful if you would assist Ching-kuo in his economic control in Shanghai."⁷¹ Du was furious. He complained to his old crony Fan Shaozeng: "I have praised Jiang Jieshi for these many years, and the result of all this flattery is that today my son has been arrested."⁷²

Du Weibing was sentenced to eight months' imprisonment. He stayed out on bail and delayed further proceedings until November, when his lawyers succeeded in having his sentence reduced to six months. In the end he was let off with a fine.

On the information provided by Du Yuesheng, Jiang Jingguo did move against the Yangtze Company. He accused the company of economic crimes, sealed its warehouses and arrested some of its employees. Jiang put Kong Lingkan under house arrest, but Kong got word to his aunt Song Meiling 宋美龄, Madame Jiang Jieshi, who came to Shanghai and berated Jiang Jingguo

for creating problems for the family. At one point Kong threatened to expose facts embarrassing to the Jiang family if the charges against him were not dropped. Unable to reprimand his son, Jiang Jieshi took out his frustration on Xuan Tiewu, the Shanghai Garrison Commander, who had closed down the Yangtze Company on Jiang Jingguo's orders—an action that Jiang Jieshi told Xuan would “cause a revolt.” Finally, Kong Lingkan paid a large fine, reputed to be US\$6 million, and left for New York.⁷³

By October the reforms were unravelling. The enforcement of strict price controls led to severe shortages of food and other commodities in Shanghai, at a time when there was a relative abundance in the city's hinterland. It also caused an almost complete cessation in economic activity. When price controls were finally lifted at the end of October, prices immediately rose dramatically; by early November prices in Shanghai had risen over ten-fold from their levels of August.⁷⁴ Those that suffered most from the reforms and the following inflation were Shanghai's middle classes. The experience radicalized them, and made them feel that even the communists would be better than the current state of affairs. Jiang Jingguo's root-and-branch tactics had also alienated large numbers of Shanghai's industrial and commercial entrepreneurs, who now found their lives quite insecure under Guomindang rule. Beginning in late 1948 many of them began relocating their enterprises to Hong Kong. Reflecting on the gold *yuan* reform in 1953, Wu Guozhen summed up the problem as follows:

You see, the whole trouble about the gold *yuan* was that it embittered every part, every segment, of the Chinese people against the government. The intellectuals, of course, knew it would not work, and thought it was just sheer stupidity. The bankers and businessmen like Li Ming got embittered and hated the government. And the middle class went entirely bankrupt because they surrendered what few savings they had. The shopkeepers had to sell all their goods at the fixed prices, gold *yuan* prices, and lost their properties that way. And even then the poor people [*sic*]. You see, Chinese poor people always had some ornament—gold, you know, and so on—but they had to surrender those things too, and then finally the currency they got became worthless. So you may say this gold *yuan* was a fatal blow.⁷⁵

Leaving and Planning a Return: Du's Relations with the Communists

His son's arrest by Jiang Jingguo effectively ended Du's relations with the Guomindang regime, and Du withdrew from public life. He met Jiang Jieshi only one more time. The meeting occurred in the context of Jiang's preparations for evacuating Guomindang assets from Shanghai to Taiwan.

⁷³ Taylor, *The Generalissimo's Son*, pp.160–1; Guo Xu, “Du Yuesheng yu Dai Li,” p.130.

⁷⁴ Department of State, *United States Relations with China*, p.401; Taylor, *The Generalissimo's Son*, p.162.

⁷⁵ Cited in Eastman, *Seeds of Destruction*, p.196.

⁷⁶ Huang Guodong, “Dumen huaijiu,” p.266.

⁷⁷ Xie Yongguang, “Xianggang Kangri Fengyun Lu” [A record of the storms of resisting Japan in Hong Kong] (Hong Kong: Tiandi Tushu, 1995), pp.106–16. See also Brian G. Martin, “Resistance and Collaboration: The Green Gang and Shanghai’s ‘Isolated Island’ (*gudao*), 1937–1941,” a paper presented at the colloquium, “Shanghai: Culture et Histoire (1843–1949),” INALCO, Paris, 27–29 January 1997.

⁷⁸ Xie Liping, “Dangde tongyizhanxian gongzuode jiechu daibiao” [An outstanding representative of the Party’s United Front work], in Zhonggong Shanghai shiwei dangshi yanjiu shi [Office for Party historical research of the Chinese Communist Party’s Shanghai Municipal Committee], ed. *Pan Hannian zai Shanghai* [Pan Hannian in Shanghai] (Shanghai: Shanghai Renmin Chubanshe, 1995), p.277.

⁷⁹ Huang Guodong, “Dumen huaijiu,” pp.265–6.

Around March 1949, Jiang telephoned Du asking him to come to Fuxing Island (*Fuxing Dao*, 复兴岛) on the Huangpu River 黄浦江 for discussions.⁷⁶ There is no record of what transpired at this meeting, although it is possible that Jiang asked Du to leave Shanghai—either to accompany him to Taiwan, or to go separately to Hong Kong. On his return, Du made preparations to leave Shanghai for Hong Kong, where he had well-established contacts and which had served as his base in the early years of the Sino-Japanese War from 1937–1941.⁷⁷

According to the legend assiduously cultivated in Taiwan of Du as a “greenwood hero” who kept faith with Nationalist China, Du refused to have anything to do with the communists and rejected their overtures after his departure for Hong Kong in 1949. An important element in this tale is the view that Du’s active co-operation with Jiang Jieshi in suppressing the communist and worker movements in Shanghai in April 1927 made any future dealings with the communists impossible and sealed in blood his political compact with the Guomindang.

But evidence exists to present quite a different view. In the last six months of Guomindang rule in Shanghai, it is clear that Du Yuesheng made contact with the communist underground. Despite his close relations with the Guomindang, he had dealings with the communists during the war. As a member of the presidium of the Committee of Shanghai Various Circles to Support Resistance to the Enemy (SCSR, *Shanghaishihigejie kangdi bouyuanhui* 上海市各界抗敌后援会) and chairman of its Fund Raising Committee during the Battle for Shanghai in August–November 1937, for example, Du had dealings with the communist Eighth Route Army. On 28 October 1937, Pan Hannian 潘汉年, then head of the Eighth Route Army’s Shanghai Office, wrote to Du requesting that “our compatriots (*tongbao* 同胞) in the rear areas” donate gas masks to the Eighth Route Army, which was being hard pressed by the Japanese. Two days later Du chaired a meeting of the SCSR at his home on the Rue Wagner to discuss the request. The SCSR agreed to provide the Eighth Route Army with a thousand gas masks imported from the Netherlands at a cost of 160,000 *yuan*.⁷⁸ Later, in wartime Chongqing, Du extended his protection to Zhou Enlai’s 周恩来 cousin, Zhou Enzhu 周恩注, and so gained a useful connection with one of the senior communist leaders. On his return to Shanghai after the war, Du gave Zhou Enzhu work in Johnson’s Car Company (*Xiangsbeng qiche gongsi* 祥生汽车公司), which was run by one of his followers, Zhou Xiangsheng 周祥生. In the immediate post-war years Zhou Enzhu was a regular visitor to Du’s home.⁷⁹

By 1948 one of Du’s closest followers, Zhu Xuefan 朱学范, had already gone over to the communists. Together with Lu Jingshi, Zhu had ensured Du’s control of the pre-war Shanghai labour movement. Zhu controlled the local trade unions through his own Green Gang organization, the Resolute

Society (*Yishe*, 毅社), which he created in 1935 in imitation of his 'master' Du's *Hengshe* (of which Zhu himself was a leading member).⁸⁰ By the outbreak of the Sino-Japanese War, Zhu had become China's leading trade union politician; he was head of China's national trade union body, the Chinese Labour Association (CLA, *Zhongguo laodong xiehui* 中国劳动协会) and was also China's representative to the International Labour Organisation (ILO) in Geneva. For a complex of reasons, involving domestic politics and overseas influences, Zhu began to distance himself from hardline Guomindang labour control measures from 1944 onwards and to move in leftist and pro-communist circles. The crunch came in 1946 when Zhu opposed the Guomindang Government's resort to violent methods to control labour unrest, and Jiang Jieshi moved to dissolve the CLA. By November Zhu had been cut adrift. After what appeared to be an attempt on his life in Hong Kong, Zhu began to identify himself openly with pro-communist United Front politicians in early 1947.⁸¹ The communists' principal interest in Zhu was his trade union links, but his connections with Du Yuesheng would also have been of interest. Zhu Xuefan gave Du a personal contact in communist United Front circles.

There are other indications that Du was negotiating with the communists and intellectual fellow-travellers. About a month before the communist takeover of Shanghai, he hosted a banquet at his home that was attended by his key associates Xu Caicheng, Qian Xinzhi 钱新之 and Zhang Shizhao 章士剑, as well as by communist and United Front luminaries such as Sheng Pihua 盛丕华, Huang Yanpei 黄炎培, Sha Qianli 沙千里, and Shi Liang 史良.⁸² The latter two, Sha and Shi, had been among the seven leaders of the National Salvation Association, known as the "seven gentlemen" (*qi junzi*, 七君子) arrested by Jiang Jieshi in November 1936 for advocating armed resistance towards Japan. During their incarceration Du had visited them in jail bearing letters from Jiang Jieshi and Ye Qucang 叶楚沧, Secretary-General of the Guomindang, as part of indirect discussions between them and the Guomindang authorities.⁸³

Just before his departure for Hong Kong, Du gave one of his trusted servants letters to deliver to three leading communists active in the Jiangnan area, Liao Chengzhi 廖承志, Sheng Pihua and Pan Hannian. From what he told his servant, Huang Guodong 黄国栋, it is clear that Du intended to cooperate with the victorious CCP and help it establish its rule in Shanghai. The communists wanted to enlist Du's help to neutralize any opposition from Green Gang groups to the consolidation of their power in the city.⁸⁴ When Liu Shaoqi 刘少奇 raised his concerns with Pan Hannian that the Green Gang might engage in an anti-communist bloodbath on the eve of the city's liberation, as they had done in 1927, Pan reassured him that he had good relations with Du's son, Du Weibing. Pan told Liu that he and the communist playwright Xia Yan 夏衍 had met Du in Hong Kong and that Du had given

⁸⁰ Martin, *The Shanghai Green Gang*, p.171.

⁸¹ Suzanne Pepper, *Civil War in China: The Political Struggle, 1945-1949* (Berkeley, Calif.: University of California Press, 1978), pp.100-4; Elizabeth J. Perry, *Shanghai on Strike: The Politics of Chinese Labor* (Stanford, Calif.: Stanford University Press, 1993), pp.126-8. The details of Zhu's Damascene conversion can be followed in Lu Xiangxian, *Zhongguo laodong xiehui jianshi* [A short history of the Chinese Labour Association] (Shanghai: Renmin Chubanshe, 1987), *passim*.

⁸² Huang Guodong, "Dumen huajiu" (1986), p.267.

⁸³ Sha Qianli, *Manhua jiuguobui* [A casual discussion of the National Salvation Association] (Beijing: Wenshi Ziliao Chubanshe, 1983), p.68; Zhou Tiandu, ed. *Jiuguobui* [The National Salvation Association] (Zhonghua Minguo Shi Ziliao Conggao [Draft collection of historical materials on the Chinese Republic], (Beijing: Zhongguo Shehui Kexue Chubanshe, 1981), pp.238, 470; Parks M. Coble, *Facing Japan: Chinese Politics and Japanese Imperialism, 1931-1937* (Cambridge, Mass.: Harvard University Press, 1991), p.339.

⁸⁴ On the eve of the communist takeover, in early May 1949, the Communist party's East China Bureau wrote to its agents in Shanghai to consider ways in persuading Du Yuesheng and other Green Gang bosses to participate in a Local Peace Maintenance Committee (*Difang Weichibui*) that they were setting up to ensure a smooth transition. Telegram from the East China Bureau to Liu Changsheng and others on factory protection and law and order work (Huadong Ju guanyu huchang zhi'andeng gongzuo zhi Liu Changsheng deng dian), 3 May 1949, in *Shanghai jiefang* [The liberation of Shanghai], ed. Shanghai Shi Dang'anguan (Shanghai: Dang'an Chubanshe, 1989), p. 51.

⁸⁵ Huang Jinping, "Pan Hannian yu Shanghai shehui gaizao" [Pan Hannian and the transformation of Shanghai society], in *Pan Hannian zai Shanghai*, p.341.

⁸⁶ Huang Guodong, "Dumen huajiu," pp.266–7. As Huang recorded it, Du told him: "You have heard my words and I am content. Now, I will tell you something directly. Since Jiang Jieshi asked me to come for discussions, I had to go. I will spend some time in Hong Kong, but I want to return to Shanghai. Friends in the CCP have held discussions with me, after Liberation they want me to participate in their new Political Consultative Conference, so you should not have any problems in Shanghai," p.266.

⁸⁷ Huang Jinping, "Pan Hannian yu Shanghai shehui gaizao," p.343.

⁸⁸ Jiang Hao, "*Hetan misbi*" *huixianglu* [An emissary for peace talks: recollections] (Shanghai: Shanghai Shudian Chubanshe, 1998), p.128.

them a guarantee that there would be no disturbance. In return, Pan promised Du that if he did not move against the communists then they would not move against the leading members of the Shanghai Green Gang.⁸⁵

Du viewed his sojourn in Hong Kong as temporary, and spoke of returning to Shanghai to take up a position at the CCP's Political Consultative Conference, just as his fellow Green Gang boss Gu Zhuxuan 顾竹轩 did.⁸⁶ In fact, events conspired against Du, and he remained in Hong Kong, although he kept in touch with the new communist regime in Shanghai through regular visits by his son, Du Weifan, in 1949 and 1950.⁸⁷

Nevertheless, Du's developing relationship with the communists revealed how complete the breach was between him and the Guomindang regime. As Du told Jiang Hao, one of his followers who had gone over to the communists, in March 1950: "Jiang Jieshi says that I am hooked up with the communists. He is right! I have no intention of going to Taiwan."⁸⁸ When he died in 1951, therefore, Du was already cutting political deals with his former sworn enemies at the expense of his erstwhile political allies.

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EAST ASIAN HISTORY 29 (2005)